

**TOPIC: DEGREE AUTHORIZATION ACT: REVISION OF FEE
SCHEDULE**

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I. SUMMARY

This item provides the opportunity for authorized private colleges and universities as well as seminaries and religious training institutions to discuss and provide comments to the Colorado Commission on Higher Education (CCHE) concerning the proposal for new fees under the Degree Authorization Act.

II. BACKGROUND

Colorado Revised Statutes, 23-2-104.5(1) gives authority to the CCHE to establish fees to be paid by a private college or university or seminary or religious training institution for the administration of the article. The amount of fees shall reflect the direct and indirect costs of administering the article. Staff proposed, and the CCHE approved, the current fee schedule at the November 1, 2012 CCHE meeting.

C.R.S., 23-2-104.5(3) states:

Prior to establishing a new fee or increasing the amount of an existing fee, the commission shall hold a public hearing to discuss and take testimony concerning the new fee or increase in fees. The commission shall provide notice of the public hearing and the proposed or new fee or fee increase to each private college or university and seminary or religious training institution at least thirty days prior to the date of the public hearing.

III. STAFF ANALYSIS

The 2012 Revisions to the Degree Authorization Act included a provision that the fees required under this Act need to be sufficient to fund the administration of the Act. The fees we have collected since 2012 have not been sufficient to cover costs. Due to this shortfall, Department staff has revised the tier levels and structure of the fee schedule initially adopted in November 2012 (Attachment B). Given the vast enrollment levels of institutions authorized under the Degree Authorization Act, the additional tiers (Attachment A) provide more equity to those institutions that have fewer enrollments.

The fee schedule is largely based on student enrollment at the various colleges and universities to cover the direct and indirect costs of the Degree Authorization Act. Private colleges and universities report student enrollment (headcount) in February of each year. Once collected, staff prepare a report from which annual invoices are created based on the enrollment data

submitted by the institutions to the Student Unit Record Database System. Up to this point, the fees collected by the Department do not cover the costs of administering the Degree Authorization Act.

The educator preparation fees, shown in Attachment A, provides a range of the reauthorization costs for those approved educator preparation programs that are up for reauthorization in FY 2015. Pursuant to 23-2-104.5(2), the commission may establish a fee to be paid to the department by a private college or university that is authorized pursuant to the Degree Authorization Act and that applies for approval of an educator preparation program per C.R.S., §23-1-121. The amount of the fee shall reflect the direct and indirect costs of the department in administering the provisions of C.R.S. § 23-2-121.

The changes to the current schedule, illustrated in Attachment A, include:

- Increased initial application fees. The current fee schedule did not allow staff to appropriately compensate the evaluation team;
- Increased annual fee for those institutions that have either not reached the full authorization level or have been placed on probation;
- Additional tier levels to provide a more equitable and methodical approach to the variously sized authorized institutions. The CCHE has the authority to reduce or increase fees based on the size of the review;
- The educator preparation fees are not changing. These fees are directly related to the activities and direct and indirect costs of the site visits. However in Attachment A, staff has provided an estimated range of costs for the direct and indirect costs of conducting an educator preparation review;
- The gtPathways fees are not changing. At this time, only one private university has submitted courses for inclusion in gtPathways;
- The student transcript fee is not changing.

IV. STAFF RECOMMENDATIONS

This item is for discussion only; staff will make a recommendation at the June 2014 CCHE meeting.

STATUTORY AUTHORITY

C.R.S. §23-2-104.5 Fees - public hearing

(1) The commission shall establish fees to be paid by a private college or university or seminary or religious training institution for the administration of this article. The amount of the fees shall reflect the direct and indirect costs of administering this article. The commission shall propose, as part of the department's annual budget request, an adjustment in the amount of the fees that it

is authorized to collect pursuant to this section. The budget request and the adjusted fees shall reflect the direct and indirect costs of administering this article.

(2) The commission may establish a fee to be paid to the department by a private college or university that is authorized pursuant to the DAA and that applies for approval of an educator preparation program per C.R.S., §23-1-121. The amount of the fee shall reflect the direct and indirect costs of the department in administering the provisions of C.R.S. § 23-2-121.

(3) Prior to establishing a new fee or increasing the amount of an existing fee, the commission shall hold a public hearing to discuss and take testimony concerning the new fee or increase in fees. The commission shall provide notice of the public hearing and the proposed new fee or fee increase to each private college or university and seminary and religious training institution at least thirty days prior to the date of the public hearing.

ATTACHMENTS

Attachment A: Proposed Fee Schedule (draft)

Attachment B: Current Fee Schedule (approved 11/1/2012)